



City of San Diego

News Release

Sanders, DeMaio and Zapf Celebrate First Milestone in Implementing Prop B on Pension Reform

*401(k) Retirement Program Approved with Bipartisan Vote of
City Council and Unanimous Agreement with Labor Unions*

FOR IMMEDIATE RELEASE
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SAN DIEGO – Mayor Jerry Sanders and Councilmembers Carl DeMaio and Lorie Zapf joined today in celebrating a key milestone in the implementation of Prop B – Pension Reform.

In a unanimous vote and with the agreement of the city's labor unions, the City Council yesterday passed legislation that closed the city's old pension system and replaced it with an interim 401(k) retirement program.

"I want to thank city staff and the city's labor unions for working together to make this interim agreement happen. I am hopeful that this spirit of cooperation will continue as both sides hammer out a permanent 401-K plan," said Sanders.

Councilmember DeMaio and Zapf praised the bipartisan cooperation shown on the City Council in moving quickly to implement the first major provision of Prop B. They also praised the Mayor and City Attorney Jan Goldsmith for working together to lead negotiations, and praised the city's labor unions for coming to voluntary agreement on the 401(k) program design.

"I'm thrilled that we are actually getting Pension Reform done, and this first step in implementing Prop B was done with bipartisan support and with agreement of all of our labor unions," DeMaio beamed.

"I applaud city leaders and the labor unions for respecting the clear mandate as expressed by San Diego voters when they overwhelmingly approved Prop B in June," said DeMaio. "We are not done yet, and we hope to see the cooperation continue in achieving full implementation of Prop B and realization of the billions in savings this measure will provide to taxpayers," concluded DeMaio.

"This agreement will enable the City to lift the hiring freeze that has been in place since June. Now we can move forward with adding firefighters, librarians, and other key City positions, and begin restoring services that have been cut over the past seven years," Said Zapf

Sanders, DeMaio and Zapf urged that both sides continue the spirit of cooperation and fully implement Prop B.

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